



**MINUTES OF THE
GLENDALE CITY COUNCIL MEETING
Council Chambers
5850 West Glendale Avenue
May 11, 2010
7:00 p.m.**

The meeting was called to order by Mayor Elaine M. Scruggs, with Vice Mayor Manuel D. Martinez and the following Councilmembers present: Joyce V. Clark, Steven E. Frate, David M. Goulet, Yvonne J. Knaack, and H. Philip Lieberman.

Also present were Ed Beasley, City Manager; Pam Kavanaugh, Assistant City Manager; Craig Tindall, City Attorney; and Pamela Hanna, City Clerk.

COMPLIANCE WITH ARTICLE VII, SECTION 6(c) OF THE GLENDALE CHARTER

A statement was filed by the City Clerk that the 8 resolutions to be considered at the meeting were available for public examination and the title posted at City Hall more than 72 hours in advance of the meeting.

APPROVAL OF THE MINUTES OF THE APRIL 27, 2010 CITY COUNCIL MEETING

It was moved by Goulet, and seconded by Clark, to dispense with the reading of the minutes of the April 27, 2010 Regular City Council meeting, as each member of the Council had been provided copies in advance, and approve them as written. The motion carried unanimously.

PROCLAMATIONS AND AWARDS

2010 RUTH BYRNE HISTORIC PRESERVATION AWARDS

This is a request for City Council to present the 2010 Ruth Byrne Historic Preservation Awards to two recipients selected by the Historic Preservation Commission: Natalie Stahl, and Joanne Henning for Mrs. Henning's After School Technology Class.

The recipients Natalie Stahl and Mrs. Henning's After School Technology Class have contributed to the Council's goals of one community with strong neighborhoods and a vibrant city center through the preservation of Glendale's heritage.

The purpose of the annual Ruth Byrne Historic Preservation Award is to recognize individuals and organizations that have made significant contributions to the preservation of Glendale's historic and cultural resources. The Historic Preservation Commission selects the annual award

recipients each year. Two recipients were selected to receive the 2010 Ruth Byrne Historic Preservation Award.

The Commission selected Natalie Stahl for restoration of the C.H. Tinker House, also known as the Virginia House, as well as for spearheading a Weed & Seed Program that has resulted in stabilizing and enhancing public safety in Orchard Glen which is one of Glendale's historic downtown neighborhoods. The C.H. Tinker House is located at 6838 North 59th Drive and was listed on the National Register on January 11, 2006. Ms. Stahl restored the home using many original and period features making it reminiscent of early Glendale. The home additionally serves as a community venue for hosting weddings, celebrations, and other significant events, thereby contributing to a more vibrant downtown.

The Commission selected Mrs. Henning's After School Technology Class for a historic preservation project that was designed to honor Glendale's Centennial. The class consists of a group of eight 4th and 5th grade students from the Glendale American School which is part of the Glendale Elementary School District. The students researched Glendale history, created a PowerPoint presentation comparing present-day Glendale with the historic Glendale, interviewed Carol St. Clair who is a highly regarded aficionado of Glendale history, and prepared an audio-visual recording of the interview.

The Council annually presents the Ruth Byrne Historic Preservation Award.

The recommendation is to present the 2010 Ruth Byrne Historic Preservation Awards to Natalie Stahl and Joanne Henning for Mrs. Henning's After School Technology Class.

Mayor Scruggs called the chair of the Historic Preservation Commission, Becky Shady, forward to present the awards. She thanked the award recipients for their work of preserving Glendale's landmarks. She recognized Ms. Byrne and explained how she brought important attention to the movement to save and preserve Glendale's historic landmarks.

CONSENT AGENDA

Mayor Scruggs pulled item number 14 from the consent agenda for discussion.

Items on the consent agenda are of a routine nature or have been previously studied by the City Council at a work session and are intended to be acted upon in one motion.

Mr. Ed Beasley, City Manager, read agenda item numbers 1 through 6 and Ms. Pamela Hanna, City Clerk, read consent agenda resolution item numbers 7 through 13 by number and title.

1. LIQUOR LICENSE NO. 3-1292, BANGKOK THAI BAR B Q

This is a request for City Council to approve a new, non-transferable series 12 (Restaurant) license. Bangkok Thai Bar B Q is located at 13828 North 51st Avenue. The Arizona Department of Liquor Licenses and Control application (No. 12078288) was submitted by Pranee Swangaroon.

The location of the establishment is 13828 North 51st Avenue and is located within the Sahuaro District. The property is zoned C-2 (General Commercial). The population density within a one-mile radius is 18,504. This series 12 is a new license, operating with an interim permit, therefore, the approval of this license will not increase the number of liquor licenses in the area. The number of liquor licenses within a one-mile radius is as listed below.

Series	Type	Quantity
06	Bar - All Liquor	3
07	Bar - Beer and Wine	3
09	Liquor Store - All Liquor	5
10	Liquor Store - Beer and Wine	1
12	Restaurant	7
	Total	19

The Maricopa County Health Department and the City of Glendale Planning, Police, and Fire Departments have reviewed the application and determined that it meets all technical requirements.

No public protests were received during the 20-day posting period.

Based on information provided under the background, it is staff's recommendation to forward this application to the Arizona Department of Liquor Licenses and Control with a recommendation of approval.

2. LIQUOR LICENSE NO. 3-1293, DESERT MIRAGE GOLF COURSE

This is a request for City Council to approve a person-to-person transfer series 7 (Bar - Beer and Wine) license. Desert Mirage Golf Course is located at 8710 West Maryland Avenue. The Arizona Department of Liquor Licenses and Control application (No. 07070503) was submitted by James Alwier Bellows.

The location of the establishment is 8710 West Maryland Avenue and is located within the Yucca District. The property is zoned SU (Special Use). The population density within a one-mile radius is 9,863. This series 7 is a person-to-person transfer license, operating with an interim permit, therefore, the approval of this license will not increase the number of liquor licenses in the area. The number of liquor licenses within a one-mile radius is as listed below.

Series	Type	Quantity
06	Bar - All Liquor	6
07	Bar - Beer and Wine	1
09	Liquor Store - All Liquor	1
12	Restaurant	7
	Total	15

The Maricopa County Health Department and the City of Glendale Planning, Police, and Fire Departments have reviewed the application and determined that it meets all technical requirements.

No public protests were received during the 20-day posting period.

Based on information provided under the background, it is staff's recommendation to forward this application to the Arizona Department of Liquor Licenses and Control with a recommendation of approval.

3. LIQUOR LICENSE NO. 3-1294, ZENDEJAS AMERICAN GRILL

This is a request for City Council to approve a new, non-transferable series 12 (Restaurant) license. Zendejas American Grill is located at 19420 North 59th Avenue, Suite F625. The Arizona Department of Liquor Licenses and Control application (No. 12078294) was submitted by Lauren Kay Merrett.

The location of the establishment is 19420 North 59th Avenue, Suite F625 and is located within the Cholla District. The property is zoned C-2 (General Commercial). The population density within a one-mile radius is 13,912. This series 12 is a new license, operating with an interim permit, therefore, the approval of this license will not increase the number of liquor licenses in the area. The number of liquor licenses within a one-mile radius is as listed below.

Series	Type	Quantity
06	Bar - All Liquor	2
09	Liquor Store - All Liquor	3
10	Liquor Store - Beer and Wine	1
12	Restaurant	19
	Total	25

The Maricopa County Health Department and the City of Glendale Planning, Police, and Fire Departments have reviewed the application and determined that it meets all technical requirements.

No public protests were received during the 20-day posting period.

Based on information provided under the background, it is staff's recommendation to forward this application to the Arizona Department of Liquor Licenses and Control with a recommendation of approval.

4. PROFESSIONAL SERVICES CONTRACT FOR POLICE SUPPORT SERVICES

This is a request for City Council to authorize the City Manager to enter into an agreement with Dr. Jeni McCutcheon to provide psychological support services to police employees.

Entering into this agreement will assist with the Council goal of one community committed to public safety by ensuring that police personnel receive the services and support they need in the aftermath of a traumatic event.

The unique environment police employees work in makes it difficult for them to receive comprehensive and effective professional emotional support from conventional mental health services, which can lack in-depth knowledge of police operations and police culture. The services and support offered through this agreement will facilitate healthy employee development and improve working conditions in the aftermath of traumatic events.

Dr. McCutcheon was selected from two proposals received through a competitive bid process. Dr. McCutcheon was chosen based on her qualifications, overall costs and rates for service, and law enforcement experience.

On February 12, 2008, Council approved an agreement with Hallett & Associates for psychological support services.

Funding is available in the Police Department’s Professional and Contractual operating budget. Dr. McCutcheon will be used on an as needed basis for psychological services for police employees, as opposed to the previous agreement that involved a flat monthly fee. Experience suggests this may be a more equitable arrangement and may reduce the overall cost for these services. The agreement contains a clause that will allow for five additional one-year renewals, at the City Manager’s discretion.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
			X		\$70,000

Account Name, Fund, Account and Line Item Number:
 Patrol, Account No. 1700-12310-518200, \$70,000

The recommendation is to authorize the City Manager to enter into an agreement with Dr. Jeni McCutcheon, to provide psychological support services to police employees and authorize the City Manager to renew the agreement, at his discretion, for up to five one-year terms.

5. AUTHORIZATION FOR INCREASE IN SPENDING AUTHORITY WITH UNITED FIRE EQUIPMENT

This is a request for City Council to authorize additional spending authority with United Fire Equipment for the purchase of self contained breathing apparatus. Upon approval, the spending limit with United Fire Equipment will increase from \$60,000 to \$100,000.

This request supports Council’s goal of one community committed to public safety by providing firefighters the necessary equipment to continue to respond safely to the community.

Self contained breathing apparatus are used to protect the health and safety of firefighters by providing oxygen during fires and fire-related hazards when poor air conditions exist. Additional self contained breathing apparatus are needed annually to replace damaged units and meet expanded need. The number of self contained breathing apparatus needed and the cost of upgrades and parts for repair have increased.

United Fire Equipment is a sole source provider for MSA brand self contained breathing apparatus. They are the only distributor in Arizona authorized to sell this equipment to fire departments.

On March 10, 2009, Council approved the one-time purchase of self contained breathing apparatus equipment and the upgrading of existing units from United Fire Equipment to meet the new National Fire Protection Agency standards.

The Fire Department provides emergency services to the community. It is critical that each emergency response vehicle is equipped with self contained breathing apparatus that meets the National Fire Protection Agency standard to ensure the safety of our firefighters and the continued safety and services to our community.

Funding is available in the FY 2010-11 Fire Department’s operating budget.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
			X		\$40,000

Account Name, Fund, Account and Line Item Number:
 Fire Resource Management, Account No. 1000-12433-521800, \$40,000

The recommendation is to authorize an increase in spending authority with United Fire Equipment for the purchase of self contained breathing apparatus.

6. AUTHORIZATION FOR INCREASE IN SPENDING AUTHORITY WITH TOTAL FIRE GROUP

This is a request for City Council to authorize additional spending authority for the life of the contract with Total Fire Group for turnout gear. Upon approval, the spending limit with Total Fire Group will increase from \$83,692 to \$148,692.

This item supports Council’s goal of one community committed to public safety. Purchase of this equipment will reduce the emergency response time for the Rapid Response Team.

The Urban Area Security Initiative Program (UASI) is funded through the Arizona Department of Homeland Security. The grant funds provide turnout gear for the Rapid Response Team, which includes boots, pants, harness, coat, gloves, nomex hood and helmet.

Since 2006, due to attrition and team expansion, 20 members of fire personnel have completed the Technical Rescue Training. The purchase of the new turnout gear will be used towards outfitting these 20 members. The new turnouts are also an upgrade to the existing turnouts because of the incorporated safety harness built into them.

On September 6, 2006, Council authorized the City Manager to authorize spending authority of \$60,000 with Total Fire Group for the purchase of turnout gear through grant funds.

On February 28, 2006, Council awarded bid 05-39 for firefighter turnout gear to Total Fire Group in the amount of \$83,692.

Purchase of this equipment will provide the Rapid Response Team the protective gear needed to ensure the continued safety of our firefighters and community.

Funding is available in the 2009 UASI Grant budget to cover \$32,500 and the 2010 UASI grant that is estimated to be awarded on October 1, 2010 will cover the remaining \$32,500.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
X		X			\$65,000

Account Name, Fund, Account and Line Item Number:

2009 UASI GFD RRT, Account No. 1840-34061-521000, \$32,500

2010 UASI GFD RRT, Account will be established in fund 1840, \$32,500

The recommendation is to authorize an increase in spending authority with Total Fire Group for the purchase of additional turnout gear.

CONSENT RESOLUTIONS

7. COOPERATIVE FIRE RATE AGREEMENT WITH THE ARIZONA STATE FORESTRY DIVISION

This is a request for City Council to adopt a resolution authorizing the City Manager to enter into a cooperative fire rate agreement with the Arizona State Forestry Division to provide fire protection to state forests and wildlands.

This request supports Council’s goal of one community committed to public safety for citizens and visitors by providing fire protection to state forests and wildlands.

The Arizona State Forestry Division has developed a comprehensive forest and wildland fire Incident Management System. Fire departments that are called to assist with wildland and forest fires are those who have cooperative agreements with the Arizona State Forestry Division. By choosing to enter into this agreement the Glendale Fire Department will be able to provide emergency fire suppression assistance during large scale events on state lands. Costs incurred by

the department while assisting in these events are reimbursable through the Arizona State Forester's Office.

Due to rate increases from the Arizona State Forestry Division, a new cooperative fire rate agreement is necessary. This agreement will cover the period from April 15, 2010 through April 15, 2012.

On June 9, 2009, Council authorized the amendment to the cooperative fire rate agreement with the Arizona State Forestry Division to provide fire protection to state forests and wildlands.

On June 10, 2008, Council authorized the cooperative fire rate agreement with the Arizona State Forestry Division to provide fire protection to state forests and wildlands.

By choosing to enter into this agreement the Glendale Fire Department will be able to provide emergency fire suppression assistance if needed during large scale events on state lands. In return the city will have access to state owned fire equipment if needed during periods of extreme brush fire danger in large parks and open areas in Glendale.

The recommendation is to waive reading beyond the title and adopt the resolution authorizing the City Manager to enter into a cooperative fire rate agreement with the Arizona State Forestry Division for fire protection to state forests and wildlands.

Resolution No. 4370 New Series was read by number and title only, it being A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF A COOPERATIVE FIRE RATE AGREEMENT WITH THE ARIZONA STATE FORESTRY DIVISION TO PROVIDE FIRE PROTECTION TO STATE FORESTS AND WILDLANDS.

8. MEMORANDUM OF UNDERSTANDING WITH THE ARIZONA DEPARTMENT OF PUBLIC SAFETY

This is a request for City Council to authorize the City Manager to enter into a Memorandum of Understanding with the Arizona Department of Public Safety for the Arizona Counter Terrorism Information Center Terrorism Liaison Officer Program.

This item addresses Council's goal of one community committed to public safety for citizens and visitors by providing a means to enhance the level of preparedness for response to potential acts of terrorism.

As part of the State's Homeland Security plan the Arizona Counter Terrorism Information Center Terrorism Liaison Officer Program was created in an effort to share and collect information related to local and global terrorist threats. The Arizona Counter Terrorism Information Center is managed on a day-to-day basis by the Arizona Department of Public Safety. This agreement will establish connectivity to the Arizona Counter Terrorism Information Center Terrorism Liaison Officer program for intelligence collection and domestic preparedness

to respond to potential acts of terrorism. This partnership allows our departments to share critical information, as well as mitigate and resolve high profile incidents.

This Memorandum of Understanding enhances the Terrorism Liaison Officer's level of preparedness to operate more effectively as it relates to potential acts of terrorism.

No additional ongoing or one-time funds are required for participation in this program. The Urban Area Security Initiative grant funds cover equipment, training and travel expenses on a yearly basis.

The recommendation is to waive reading beyond the title and adopt a resolution authorizing the City Manager to enter into a Memorandum of Understanding with the Arizona Department of Public Safety for the Arizona Counter Terrorism Information Center Terrorism Liaison Officer Program.

Resolution No. 4371 New Series was read by number and title only, it being A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF A MEMORANDUM OF UNDERSTANDING WITH THE ARIZONA DEPARTMENT OF PUBLIC SAFETY FOR THE STATEWIDE TERRORISM LIAISON OFFICER PROGRAM.

9. AMENDMENT TO INTERGOVERNMENTAL AGREEMENT FOR THE BEARDSLEY ROAD CONNECTOR PROJECT

This is a request for City Council to authorize the City Manager to approve an amendment to the Intergovernmental Agreement (IGA) with the Arizona Department of Transportation (ADOT), the Maricopa Association of Governments (MAG), and the City of Peoria for construction of the Beardsley Road Connector project. An amendment of the approved IGA is required due to changes in funding sources, and clarification of responsibilities among other parties in the agreement.

This request addresses Council's goals of a city with high-quality services for citizens by improving and providing transportation options within the city.

Improvements along Loop 101 and the interchanges at 75th Avenue and Union Hills Road are under construction and scheduled for completion in November 2011. There are no Glendale funds in this project, however, Glendale is a party to the original IGA and is required to approve all amendments. Glendale continues to have no project responsibilities other than to grant Peoria a permit for routine maintenance and maintenance of traffic control devices within Glendale's jurisdiction along the Loop 101 frontage road from 75th Avenue to the Union Hills Drive Traffic Interchange. Peoria will acquire and dedicate to Glendale any right-of-way located within Glendale's jurisdiction.

The original IGA had Peoria funding over \$6.3 million for the project. ADOT was able to secure \$5,667,374 in ARRA funding for the project. The amendment allows the use of the ARRA

funding and will require Peoria to provide \$655,870 in a local match. The estimated project cost is \$17,173,860 and any future additional costs will be split between Peoria (67%) and ADOT (33%). The amendment also clarifies and defines the responsibilities between ADOT and Peoria regarding the maintenance of landscaping and traffic control devices along the Loop 101 frontage road.

On September 9, 2008, Council approved the original IGA with ADOT, MAG, and Peoria for the design and construction of the Beardsley Road Connector project and the widening of the Union Hills Drive Traffic Interchange.

The proposed Beardsley Road connection will provide additional access to Loop 101 from the northern portion of Peoria and the Northwest Valley. This project will also improve traffic flow and relieve congestion at 83rd Avenue and Union Hills Drive, the Union Hills Interchange at Loop 101, and 75th Avenue at Loop 101 in Glendale.

Glendale funds are not needed for this project.

The recommendation is to waive reading beyond the title and adopt a resolution authorizing the City Manager to approve an amendment to the Intergovernmental Agreement with the Arizona Department of Transportation, Maricopa Association of Governments, and the City of Peoria to allow the use of funds from the American Recovery and Reinvestment Act of 2009 for construction of the Beardsley Road Connector project.

Resolution No. 4372 New Series was read by number and title only, it being A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE ENTERING INTO OF AMENDMENT ONE TO THE INTERGOVERNMENTAL AGREEMENT WITH THE STATE OF ARIZONA, THE MARICOPA ASSOCIATION OF GOVERNMENTS, AND THE CITY OF PEORIA FOR THE BEARDSLEY ROAD CONNECTOR PROJECT.

10. AMENDMENT TO REAL PROPERTY PURCHASE AND EXCHANGE AGREEMENT FOR HEMPELMAN AUTO PARTS COMPANY

This is a request for City Council to adopt a resolution authorizing the City Manager to approve a contract amendment to the real property purchase and exchange agreement with Hempelman Auto Parts Company for an extension of time to complete site improvements at their NAPA location on Myrtle Avenue in downtown Glendale.

One community with a vibrant city center is a Council goal that will be achieved by improving the appearance of Myrtle Avenue for visitors to downtown Glendale by enhancing this entryway.

The construction of the underpass at the intersection of Grand, Glendale, and 59th avenues has resulted in Myrtle Avenue becoming one of two gateways from Grand Avenue to downtown Glendale. In December 2006, Council approved a contract to improve Myrtle Avenue between 62nd and 59th avenues. This action included installing access control measures and a right turn lane at Myrtle and Grand avenues that impacted the Hempelman Auto Parts Company. As a

mitigation measure, two properties located between 60th and 59th avenues were purchased and deeded to Hempelman Auto Parts Company in exchange for right-of-way and on-site improvements including new walls, reconfigured parking, modified store access, and landscaping.

Glendale's portion of the street improvements has been completed. However, on-site improvements by Hempelman Auto Parts Company are overdue. The economic slowdown has impacted the owner's ability to meet the previously agreed upon timeframe for their share of the improvements. The amended agreement provides a phased approach and will allow additional time to complete the improvements. The first phase includes constructing screen walls along Myrtle Avenue by September 2010. The second phase includes adding a wall along the east property line and landscaping along Myrtle Avenue to be completed by March 2011. The final phase to be completed by September 2011 includes paved parking, landscaping in the parking area, signage, and exterior building improvements.

On February 12, 2008, Council approved an ordinance for the purchase of two properties along Myrtle Avenue between 60th Avenue and 59th Drive for street improvements and beautification improvement and the transfer of ownership of these two properties to Hempelman Investments (currently known as Hempelman Auto Parts Company) in exchange for right-of-way and on-site improvement measures.

On December 26, 2007, contingent on Council approval, an agreement was signed by the city and Hempelman Investments to exchange properties. The property exchange would allow right-of-way improvements along Myrtle Avenue and allow on-site improvement measures at the NAPA location.

On December 12, 2006, Council approved a construction contract for downtown pedestrian enhancements and improvements along Grand, Glendale and Myrtle avenues, which included the widening and beautification of Myrtle Avenue between 62nd and 59th avenues.

The proposed site improvements will enhance the appearance of this property and the existing business, and improve the appearance of Myrtle Avenue for visitors to downtown Glendale.

The recommendation is to waive reading beyond the title and adopt a resolution authorizing the City Manager to approve a contract amendment to the real property purchase and exchange agreement with Hempelman Auto Parts Company to extend the timeframe for completion of onsite improvements through September 30, 2011.

Resolution No. 4373 New Series was read by number and title only, it being A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE AMENDMENT NO. 2 TO THE REAL PROPERTY PURCHASE AND EXCHANGE AGREEMENT WITH HEMPELMAN AUTO PARTS COMPANY FOR THE PROPERTY LOCATED AT 6020 WEST MYRTLE AVENUE.

11. INDUSTRIAL COMMISSION OF ARIZONA WORKERS' COMPENSATION EXEMPTION

This is a request for City Council to adopt a resolution authorizing the City Manager to request exemption from the requirement by the Industrial Commission of Arizona to post security for the City of Glendale's self-insured workers' compensation claims.

One of Council's goals is a city that is fiscally sound. Maintaining sufficient funding to cover actuarial liabilities provides financial stability to meet current and future workers' compensation claim obligations.

The Industrial Commission of Arizona requires self-insured employers to annually post financial security for claim liabilities. The Industrial Commission revised rules in March 2005 to exempt public entities from posting financial security, provided a certified statement signed by the governing body is provided annually to the Industrial Commission prior to July 1st each year. The certified statement must state funds are sufficient to pay liabilities for workers' compensation claims.

This has been an annual request of the City Council since 2005.

By adopting the resolution the city avoids providing a letter of credit to the Industrial Commission. The annual cost for a letter of credit would exceed \$15,000.

The recommendation is to waive reading beyond the title and adopt a resolution authorizing the City Manager to request exemption from the requirement by the Industrial Commission of Arizona to post security for the City of Glendale's self-insured workers' compensation claims.

Resolution No. 4374 New Series was read by number and title only, it being A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, REQUESTING EXEMPTION FROM THE REQUIREMENT BY THE INDUSTRIAL COMMISSION OF ARIZONA TO POST SECURITY FOR THE CITY OF GLENDALE'S SELF-INSURED WORKERS COMPENSATION CLAIMS.

12. DEVELOPMENT AGREEMENT FOR GLENDALE CORPORATE CENTER

This is a request for City Council to authorize the City Manager to consent to the deemed assignment to HR GCC, LLC of the Development Agreement for the property located at 5323 North 99th Avenue, otherwise known as Glendale Corporate Center.

This request supports Council's goal of one community with quality economic development. Assigning the existing benefits of the agreement will potentially result in added jobs to the city and increased revenues.

The city entered into the original development agreement with OPUS WEST Corporation on February 27, 2007. In June, 2009 the original developer of the property went into foreclosure.

HR GCC, LLC recently purchased the property and is aggressively seeking companies to occupy the existing office space.

Council approved the Development Agreement on February 27, 2007 with OPUS WEST Corporation.

All impact fees were paid by OPUS WEST Corporation prior to foreclosure including the impact fees for the remaining three-story building not yet constructed. No additional direct budget impacts in the form of payments will occur as a result of the proposed assignment of this development agreement.

The recommendation is to waive reading beyond the title and adopt a resolution authorizing the City Manager to execute the Deemed Assignment of Development Agreement with HR GCC, LLC for the Glendale Corporate Center.

Resolution No. 4375 New Series was read by number and title only, it being A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, CONSENTING TO THE ASSIGNMENT OF THE DEVELOPMENT AGREEMENT ORIGINALLY ENTERED INTO WITH OPUS WEST CORPORATION TO HR GCC, LLC FOR PROPERTY LOCATED AT 5323 NORTH 99TH AVENUE (GLENDALE CORPORATE CENTER); AND DIRECTING THAT THE DEEMED ASSIGNMENT OF DEVELOPMENT AGREEMENT C-5938 BE RECORDED.

13. CALL OF 2010 FALL ELECTIONS

This is a request for City Council to adopt a resolution to call the 2010 Primary Election for August 24, 2010 and the General Election for November 2, 2010. The resolution identifies the key dates for the election.

Municipal elections promote increased citizen involvement in all aspects of municipal government.

The recommendation is to waive reading beyond the title and adopt a resolution calling for municipal elections for 2010.

Resolution No. 4376 New Series was read by number and title only, it being A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, DESIGNATING THE ELECTION DATES AND PURPOSE OF ELECTIONS (PRIMARY ELECTION: AUGUST 24, 2010; GENERAL ELECTION: NOVEMBER 2, 2010); DESIGNATING THE DEADLINE FOR VOTER REGISTRATION; DESIGNATING THE PLACE AND THE LAST DATE FOR CANDIDATES TO FILE NOMINATING PAPERS; AND ORDERING THAT THE CITY CLERK PUBLISH THIS CALL OF ELECTION.

It was moved by Frate and seconded by Knaack, to approve the recommended actions on Consent Agenda Item Nos. 1 through 14, including the approval and adoption of Resolution No. 4370 New Series, Resolution No. 4371 New Series, Resolution No. 4372 New Series, Resolution No. 4373 New Series, Resolution No. 4374 New Series, Resolution No. 4375 New Series, and Resolution No. 4376 New Series; and to forward Liquor License Applications No. 3-1292 for Bangkok Thai Bar B Q, No. 3-1293 for Desert Mirage Golf Course and No. 3-1294 for Zendejas American Grill to the State of Arizona Department of Liquor Licenses and Control, with the recommendation for approval. The motion carried unanimously.

14. AUTHORITY TO SATISFY THE NHL'S REQUIREMENTS FOR PHOENIX COYOTES

Jim Colson, Deputy City Manager, Craig Tindall, City Attorney, and Art Lynch, SRJ Government Consultants, LLC, presented this item.

This is a request for City Council to grant the City Manager authority to sign the agreements and secure the financial mechanisms that are reasonably necessary to satisfy the NHL's requirements in order for the NHL Phoenix Coyotes to remain in Glendale during the NHL 2010-11 season.

The NHL has expressed its intention to keep the team in Glendale, but has established deadlines and imposed requirements that require certain immediate financial commitments and assurances by the City of Glendale.

The agreements allow the team to remain in place for the NHL 2010-11 season; allowing staff the necessary time to complete the required agreements with the ownership group that will be committed to retaining the team in Glendale for the remainder of the original lease term.

This request supports the Council goal of one community with quality economic development in our entertainment district.

Staff brought forward Memorandums of Understanding for potential buyers of the Phoenix Coyotes on April 13, 2010. This NHL requirement allows the NHL to retain the team in Glendale for the NHL 2010-11 season and staff to complete necessary negotiations with new owners.

The cost of issuance will be covered by arena operations and the CFD upon establishment.

The recommendation is to waive reading beyond the title and adopt a resolution granting the City Manager authority to sign the agreements and secure the financial mechanisms that are reasonably necessary to satisfy the NHL's requirements in order for the NHL Phoenix Coyotes to remain in Glendale during the NHL 2010-11 season.

Resolution No. 4377 New Series was read by number and title only, it being A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, GRANTING THE CITY MANAGER AUTHORITY TO SIGN THE AGREEMENTS AND SECURE THE FINANCIAL MECHANISMS THAT ARE

REASONABLY NECESSARY TO SATISFY THE NHL'S REQUIREMENTS IN ORDER FOR THE NHL PHOENIX COYOTES TO REMAIN IN GLENDALE DURING THE NHL 2010-11 SEASON.

Mr. Ed Beasley, City Manager, began with opening remarks clarifying some misinformation being circulated. He said this item was unanimously brought forward by a Council directive in order to address the process that is moving forward with the Coyotes. He explained this resolution was not to pay operating losses for the NHL. This is a fee to operate the arena and maintain the team in the unlikely event that a satisfactory ownership structure is not completed by the end of the summer. He noted they were still working with the interested parties and was confident that a deal will be completed by June 30, 2010. He stated they were still on track to meet the deadline. He indicated this agreement avoids the city taking on substantial cost since the arena must have an operating manager. This agreement allows the team to remain in place for the NHL 2010-11 season; allowing staff the necessary time to complete the required agreements with the ownership group that will be committed to retaining the team in Glendale for the remainder of the original lease term. This requirement ends upon the agreement with the new owners on June 30th and he believes it would not have to go into effect.

Mr. Jim Colson, Deputy City Manager, reiterated Mr. Beasley assertion that once the new owner take control by June, this agreement will not have to go into effect. This item acts as an insurance policy for the city allowing them to continue to do the work that is necessary to achieve the goals set forth by Council. He noted there were absolutely no expectations of drawbacks until September, if at all.

Mr. Craig Tindall, City Attorney, stated they were in the process of negotiating arrangements with interested parties. He explained that currently, there was no agreement in place and as a result, they will need to form an agreement that will allow certainty in terms of the management of the arena over the next few weeks. He discussed the duties of the arena operating manager and why one was needed for this short term. He indicated that the fee will be capped to \$25 million, if paid at all. They will be moving forward, with the full intent to protect the city's best interest and the city receiving the maximum benefit.

Mr. Art Lynch, SRJ Government Consultants, LLC, reviewed the Community Facilities District (CFD) financing mechanisms being proposed. This financial mechanism will have the generally accepted accounting principles as the standards that are followed, moving this matter swiftly. He noted this mechanism will only be used as a bridge to the ownership transition. Once the new owners take over operations, this mechanism will dissipate.

Mayor Scruggs asked if Councilmembers had any questions.

Councilmember Clark asked for clarification and assurance that no tax payer dollars will be used for this particular financial mechanism. Mr. Lynch stated that from the beginning of the process, they have tried to utilize different financing mechanisms simply because they have independent revenue sources that will not affect the tax payer. Councilmember Clark asked for assurance that the city fully expects to have an owner for the team by this summer, therefore, once that occurs this mechanism is no longer required. Mr. Lynch stated she was correct.

Councilmember Knaack inquired if the city was currently working with two entities on this MOU. Mr. Beasley responded yes. He stated that negotiations were on going, however, could not be played out publicly. He noted they were on track to complete negotiations by the end of June.

Mayor Scruggs reminded everyone that Mr. Beasley was working with the interested parties on matters that pertain to Glendale's city business and not decisions on who is the next owner of the Coyotes. She explained that the NHL will make that decision. She noted that Mr. Bill Daly, NHL, Deputy Commissioner arrived from New York and will be addressing the Council.

Mr. Beasley explained that staff was charged to move forward and work with interested parties that meet the NHL's basic requirements to be considered as owners of the team. He stated two interested parties have come forward to negotiate meeting the criteria which the City Council has established. He noted once that takes place, it would be forwarded to the NHL with the recommendation for them to make the final decision.

Councilmember Lieberman asked why the \$25 million cap was not posted in the resolution. Mr. Tindall indicated he believes that matter had been amended to reflect the \$25 million cap. Councilmember Lieberman remarked he had just found the amended version. He read from the revised resolution. Councilmember Lieberman stated his belief that he has not been fully informed on what is being done regarding the CFDs and if it has even been started. Mr. Lynch explained that the formation process was being formulated and parts have already been brought to Council. Councilmember Lieberman asked if it was known what property will be included in the CFD and if it was being well received by the business owners. Mr. Lynch indicated that staff's update has included the properties identified. Councilmember Lieberman inquired if any surcharges had been identified. Mr. Lynch indicated that revenue streams are currently being identified and proposed. Councilmember Lieberman believes he has been left out of too many discussions because he still was not clear on the CFD and the structure. He reiterated his question on surcharges being another form of taxes and if they were being used. Mr. Lynch explained that surcharges were one of the many potential revenue streams being studied and brought to Council; however, was not the primary one being used for funding. Councilmember Lieberman remarked that his decision tonight was based on what is best for Glendale, however, what had solidified his decision, was a little boy named Logan who asked him to please vote for the resolution and he cannot turn him down.

Mr. Beasley clarified that the financial mechanisms were voluntary in how they are being structured. He wanted to make clear that no one is being taxed or forced into a taxing district. However, those who want to participate recognized the value and maintenance of it and what it means to be a participant. He asked Mr. Lynch to expand on this issue. Mr. Lynch clarified that there was not a residential taxing component to the CFD.

Mayor Scruggs asked to comment on the work being done on the CFD. She stated she watched the April 13th Council meeting while in Washington. She indicated there had been extensive discussions at that meeting on what a CFD was and its process. She further added the two MOU's both had a CFD component that was clearly outlined. She explained that of the two

MOUs, one passed while the other failed, meaning Council voted and understood their vote regarding CFDs. She noted a CFD has not yet been formed since the team still belongs to the NHL until they grant the city the ability to sell the team to someone who will keep them in Glendale.

Mr. Tindall noted the CFD was being created and was currently in process. He explained that because of the amount of time it takes to create a CFD, they need to move forward and create the CFD prior to actually finalizing the documents. However, if the CFD serves no purpose, the board can terminate it. Mayor Scruggs asked if creating a CFD normally took about four months. Mr. Tindall explained it was difficult to ascertain a time frame. He reiterated that because of the timelines, they might request Council to approve moving ahead and forming the CFD in order to have it in place and ready to go when the transactions take place.

Councilmember Clark recalled Council having discussions with staff regarding possible meeting dates for issuance concerning the CFD. Mr. Tindall stated she was correct. She indicated she was aware the CFD would have to be created very quickly because of the tight timeframe. She noted that if by chance the team was sold out of Glendale, the city would dissolve the CFD since it no longer had a function. Mr. Tindall agreed.

Vice Mayor Martinez remarked that the issue regarding the CFD had been discussed at length in at least two workshops and Executive Sessions, with unanimous agreements to be brought forward. Councilmember Lieberman explained his concern regarding the CFD as referenced in Resolution No. 4377, New Series.

Mr. Bill Daly, NHL, reiterated the hypothetical nature of this commitment from the City Council that is being considered tonight. He stated they had every expectation and hope that an ownership transaction will take place in the very near future, at which point, there will be no need for any fee to be paid to the NHL. He noted this was nothing more than an insurance policy which allows them to move forward and achieve the objective to allow the Coyotes to remain in Glendale for the long term. He appreciates all the support the city has shown this club. The NHL will continue to support the team and their long term future in Glendale. Mayor Scruggs expressed her thanks and appreciations for the extraordinary and out-of-the-ordinary measures the NHL had to take in order to try and keep this franchise in Glendale. She thanked him for attending tonight's meeting and showing his support and the support of the NHL for Glendale and the Coyotes.

Councilmember Clark expressed her thanks for the NHL's commitment to try and find a buyer that will retain the club in Glendale. She inquired about the process once the NHL receives the recommendations. Mr. Dailey explained that the NHL was familiar with the two interested parties and believes they can work with either. He indicated that the Board of Governors makes the deciding vote, which can be done in a matter of weeks.

Mayor Scruggs said this is not a public hearing item per the Arizona Opening Meeting Laws. However, she had received cards from people in attendance wishing to speak on this item and decided to allow a reasonable time period, forty-five minutes for public comment. She asked speakers to keep their comments focused on the content of the agenda item.

Ms. Monique Reaux, a Tolleson resident, stated that a lot of the questions she had were answered tonight. She believes Glendale has the perfect opportunity to use the CFD in the city's best interest. She approves of tonight's resolution and sees it as simply protecting the city's assets. She implored the city and the NHL to get this done and do what is necessary to finalize the lease. She thanked the Council for everything they are doing to keep the Coyotes in Glendale.

Ms. Amy Jo Green, a Phoenix resident, stated her support for the Coyotes. She asked the Council to get this deal done quickly so she can continue to spend money at Westgate and help Glendale. She supports tonight's resolution.

Mr. Ken Jones, an Ocotillo district resident, stated that the Coyotes need to remain in Glendale; however, not at the expense of the city looking like it is being blackmailed into approving this particular resolution. He stated the NHL should be held to the same rules that apply to everyone else. The NHL should be required to pay its own way and gamble with its own money. He discussed how Glendale's water rates were being raised while the city is spending \$25 million to provide a safety net to the NHL. He stated the NHL should pay their own way just like the city is making the citizens pay with higher water rates.

Ms. Heather Schroeder, a Phoenix resident and President of the Phoenix Coyotes Booster Club, stated her support for the resolution and the Coyotes. She understands the NHL needing an insurance policy that they may never use it. This will provide peace of mind for both the NHL and the city. She noted this resolution will allow the team to move forward and not lose their momentum.

Mr. Andrew Williams, a Phoenix resident, stated he was here representing forty people who have all become season ticket holders. He voiced his support for the resolution and the Coyotes.

Ms. Bonnie Steiger, a Sahuaro district resident, stated she was not opposed to the Coyotes; however, she did not want to see Glendale spend any more money to keep the team here in Glendale. She explained she would like the team to stay but does not believe it was up to the tax payers to have to pay the fee.

Mr. Mike Montgomery, a Surprise resident, stated his support for the resolution and Coyotes. He said he has been a season ticket holder for close to four years and has fallen in love with the sport and team. He would like to give the new management the opportunity to see where they can take the Coyotes. He noted he would be willing to pay \$15 dollars for parking as well as pay higher ticket prices in order to keep the team in Glendale.

Ms. Marie Gormley, a Barrel district resident, stated she was a proud resident of Glendale who spends most of her money in the city. She approves of the resolution and with keeping the team in Glendale. She explained she receives quality family time when attending games with her family. She expects the city to work its hardest to keep the Coyotes in Glendale.

Mr. Gary Livingston, a Sahuaro district resident, stated that this whole process has been very confusing. He does not understand why the city has to provide an insurance policy to the NHL.

He indicated it seemed that the NHL wants Glendale to decide who the team owner should be. He questioned how the CFD will operate. He was unclear if it was for the entire year or only when the team is playing. He explained that more taxes decrease economic growth and believes Glendale's tax base was number two in the west valley.

Mr. Gary Woodall, a Mesa resident, stated his support for the resolution and for the Coyotes. He commented about how he drives 45 minutes from Mesa just to see the Coyotes play. He understands how everyone was facing difficult times, however, if the city does not prove to the NHL they are serious in keeping the team in Glendale, the economic impacts will be great. He encouraged the Council to adopt this proposal.

Mr. Jaime Eisner, a Phoenix resident, stated his support for the resolution and the Coyotes. He noted that the average attendance per game was 12,000 which brought in over half a million people into Westgate this season. He indicated that Jobing.com Arena consistently ranks in the top ten in Arizona's top 50 tourist attractions. He added that according to a Glendale tourism survey, 70% of respondents indicated that their visitations to Glendale have been solely for sporting events or concerts. He stated that in regards to the CFD, growth will pay for growth.

Mr. Jess Hurley, a Phoenix resident, stated the time for trying was over and the time for doing had come. He believes the NHL has done the City of Glendale a huge favor in trying to keep the team here and to thank them, they should approve this resolution. He thanked the Council for everything they had done so far in favor of the Coyotes.

Mr. Mark Fast, a Cholla district resident, stated he was new to the area and was already a hockey fan. He thanked Mr. Daly for all his help with the NHL. He added that this resolution was a very small price to pay for a future of hockey fans. He asked they support and commit to this team as a city and not just wait for the new owner to bank roll the team. He noted that this was not a problem, but a money making machine.

Mayor Scruggs thanked everyone for their comments on this issue.

It was moved by Martinez, and seconded by Frate, to pass and adopt Resolution Number 4377 New Series, with an amendment to the resolution that adds Section 2 to read as follows "the NHL documents shall reflect that the fee payment to the NHL shall not exceed \$25 million, specifically define the items for which the fee is being paid, and define the terms of the fee payment and the method by which the fee will be paid." The motion carried unanimously.

Councilmember Clark remarked how the Council had received many e-mails in the last 24 to 48 hours. She told her constituents she would be taking all comments into consideration before making her decision tonight. However, she believes public opinion will not be the deciding vote tonight since the comment cards she had received were equally for and against this issue. She stated there were still some people that think tax payer dollars will be used, which was not the case. She will support this resolution simply because Council has given direction that no tax payer dollars be used for this item. Staff has worked diligently to honor the Council's request. She indicated she will be approving this item tonight and remains confident they will have an

owner before this fee has to be paid. She stated that everyone on the Council has made the commitment to keep hockey in Glendale; however, they have an obligation to the citizens of Glendale to ensure it is done right.

Councilmember Goulet thanked the people attending the meeting tonight. He thanked Mr. Daly for making another appearance in Glendale to speak on behalf of the NHL and what this city has been trying to do. He also acknowledged Mr. Moss and the effort he and the organization have gone through in the past year. They have done an outstanding job in demonstrating to the community what an outstanding franchise this team can be. He indicated city staff had worked remarkably hard to help make this process possible. His respect and thanks for city staff has not changed. He added that it was now time for the fan base to continue to step-up and do what they have been doing so loudly and successfully for the last few months. He indicated the community has to demonstrate through comments and actions, what this team means to the community and to Glendale. He supports this resolution and hopes the Coyotes stay part of Glendale for a long, long time.

Councilmember Lieberman thanked everyone for attending tonight's meeting. He indicated that at first, he was unsure as to how he was going to vote; however, after speaking with the city attorney and a little boy named Logan, he will support this resolution. He remarked he and his wife were great fans and were seen at most games.

Vice Mayor Martinez also thanked everyone for attending tonight and getting involved in the process. He explained that a lot of misinformation had been spread; however, most issues have been resolved with staff's presentation of the facts. He will support this resolution because he believes it was in the best interest of the city and not approving it, was a big step backwards. He thanked Mr. Daly, Mr. Moss and city staff for all their hard work on this item. He quoted from a writer in the Arizona Republic stating "decisions are not made because they are popular or because they are easy, you make a decision because you feel it is the right thing to do". He stated that based on what he has heard tonight, the right thing to do is approve this resolution.

Councilmember Frate agrees with his colleagues on what has been said tonight. He remarked to the fans that Glendale has been doing its due diligence in regards to this item. He stated Council and staff has done a lot of work and will continue to work until a solution has been made. The Council has always been in support of keeping the Coyotes in Glendale and is working hard to make that happen while protecting the best interests of the citizens and the City of Glendale.

Councilmember Knaack thanked everyone for being at tonight's meeting. She also thanked Mr. Daly and city staff for all the time they spent working to ensure this was done for the betterment of Glendale. She appreciates them doing their due diligence; specifically because these were not fast agreements that can be done quickly, but require a lot of study and work. She explained this was something that the Council does not take lightly since each of them feel and believe they have to do what's right by Glendale. She added that the arena was one of Glendale's greatest asset and a tax payer benefit. She stated she was in favor of this resolution and would like to congratulate the Coyotes on a fabulous playoff series.

Mayor Scruggs commented she could not help but reflect on the nine years of every obstacle in the world being thrown in front of them regarding this issue. The city knew as far back as nine years ago, when deciding to make Glendale something more than just track housing, that something special could be done. In 2001, they had the opportunity to move forward and build the arena. This site has become the home of many activities, which has lead to the Cardinal Stadium, baseball and millions of visitors to Glendale. She noted none of that could have happened if they did not have the strength, belief and fortitude to move forward and build the arena. She explained how everyone doubted the idea, just as how many people were reacting today. She added there will always be the naysayers that love to find people who will criticize and start fights on the matter. She commended staff because they have never lost faith and still work hard to make sure everything is done just right for the City of Glendale. She asked the fan base to keep supporting the Coyotes and the city.

REQUEST FOR FUTURE WORKSHOP AND EXECUTIVE SESSION

It was moved by Martinez, and seconded by Frate, to hold a City Council Workshop at 1:30 p.m. in Room B-3 of the City Council Chambers on Tuesday, May 18, 2010, to be followed by an Executive Session pursuant to A.R.S. 38-431.03. The motion carried unanimously.

CITIZEN COMMENTS

None.

COUNCIL COMMENTS AND SUGGESTIONS

Councilmember Clark invited everyone to her district meeting on May 17, 2010, at Coyote Ridge Elementary School at 6:00 p.m. The topic will be innovation.

Councilmember Lieberman also invited everyone to his district meeting on May 13, 2010, at Rose Lane Center at 6:00 p.m. He stated city representatives will be attending, as well as one from the state senate.

Councilmember Frate stated Glendale residents should be receiving a quality water report. He asked residents to make time to read it and understand how important clean water is to the community. He reminded everyone to please watch children around water.

ADJOURNMENT

There being no further business, the meeting was adjourned at 8:45 p.m.

Pamela Hanna
Pamela Hanna - City Clerk